



**VILLAGE OF CROSS PLAINS  
FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITOR'S REPORT  
DECEMBER 31, 2019**

**VILLAGE OF CROSS PLAINS**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Village Board  
Village of Cross Plains  
Cross Plains, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Cross Plains, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Cross Plains, Wisconsin as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Emphasis of Matter*

As discussed in Note 1 to the financial statements, effective January 1, 2019, the Village of Cross Plains adopted the provisions of GASB Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Life Insurance schedules, and Wisconsin Retirement System schedules on pages iii through x and 42-46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Cross Plains' basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Johnson Block & Company, Inc.*

Johnson Block & Company, Inc.  
May 26, 2020

**VILLAGE OF CROSS PLAINS**  
**Management's Discussion and Analysis**  
**December 31, 2019**

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As management of the Village of Cross Plains, we offer readers of the Village's basic financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2019.

**Financial Highlights**

- The assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources as of December 31, 2019 by \$11,196,701 (net position).
- The Village's total net position increased by \$914,609. The following factors contributed to the overall increase:
  - The Utility net position increased by \$152,073.
  - The Governmental net position increased by \$762,536. The increase was primarily due to grant revenues for park improvements and revenues from disaster relief related to flood repairs and cleanup.
- The local property tax levy (including the TIF increment) for 2019 (2020 revenue) was \$3,810,465, an increase of 11.28% from the \$3,424,282 levy for 2018 (2019 revenue). The 2019 tax levy limit was adjusted for debt service on general obligation debt authorized after July 1, 2005. The assessed value of the Village for the 2019 roll was \$400,628,900, an increase of 1.6% over 2018.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Village of Cross Plains' basic financial statements. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements** The *government-wide financial statements* are designed to provide readers with a broad overview of the Village of Cross Plains' finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Village's assets, deferred outflows, liabilities and deferred inflows, with the residual between the elements reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Cross Plains is improving or deteriorating.

The *statement of activities* presents information showing how the Village's position changed during the most recent year. All changes in position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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Both of the government-wide financial statements distinguish functions of the Village of Cross Plains that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village include general government; public safety; public works; culture and recreation; and conservation and development. The business-type activities of the Village include the water and sewer utilities.

The government-wide financial statements include only the Village of Cross Plains itself (known as the *primary government*). No component units were identified that should be included in the reporting entity. The statements do not include the legally separate fire and EMS districts.

The government-wide financial statements can be found on pages 1 and 2 of this report.

**Fund financial statements** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Cross Plains, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental funds** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund, TID #3 fund, parks fund and capital projects fund, all of which are considered to be major funds. The non-major governmental funds are reported together.

The Village adopts an annual appropriated budget for all of its governmental funds. Supplementary budgetary comparison statements have been provided for the general fund and parks fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 3 to 6 of this report.

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**Proprietary funds** There are two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Village uses enterprise funds to account for its utilities. Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. The Village of Cross Plains does not have any internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utilities, each of which are considered to be major funds of the Village.

The basic proprietary fund financial statements can be found on pages 7 to 9 of this report.

**Fiduciary funds** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government or for other funds. Fiduciary funds are *not* reflected in the government-wide financial statements. The only fiduciary fund maintained by the Village is the tax agency fund which records the tax roll and tax collections for other taxing jurisdictions within the Village of Cross Plains. The accounting used for fiduciary funds is similar to that used for governmental funds.

The basic fiduciary fund financial statements can be found on pages 10 to 11 of this report.

**Notes to the basic financial statements** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 12 to 41 of this report.

**Government-wide Financial Analysis**

**Net Position** Net position may serve over time as a useful indicator of a government's financial position. The Village's net position was \$11,196,701 at the close of 2019.

**VILLAGE OF CROSS PLAINS**  
**Management's Discussion and Analysis**  
**December 31, 2019**

<b>Village of Cross Plains Net Position</b>						
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 4,913,451	\$ 3,920,802	\$ 3,734,628	\$ 3,166,141	\$ 8,648,079	\$ 7,086,943
Capital assets	13,756,433	14,149,000	13,532,213	13,266,619	27,288,646	27,415,619
Total Assets	<u>\$ 18,669,884</u>	<u>\$ 18,069,802</u>	<u>\$ 17,266,841</u>	<u>\$ 16,432,760</u>	<u>\$ 35,936,725</u>	<u>\$ 34,502,562</u>
Deferred outflows	\$ 797,570	\$ 469,644	\$ 96,847	\$ 68,805	\$ 894,417	\$ 538,449
Total Deferred Outflows of Resources	<u>\$ 797,570</u>	<u>\$ 469,644</u>	<u>\$ 96,847</u>	<u>\$ 68,805</u>	<u>\$ 894,417</u>	<u>\$ 538,449</u>
Long-term liabilities outstanding	\$ 10,756,952	\$ 11,054,398	\$ 7,098,288	\$ 7,051,352	\$ 17,855,240	\$ 18,105,750
Other liabilities	1,925,339	1,822,517	1,617,991	943,378	3,543,330	2,765,895
Total Liabilities	<u>\$ 12,682,291</u>	<u>\$ 12,876,915</u>	<u>\$ 8,716,279</u>	<u>\$ 7,994,730</u>	<u>\$ 21,398,570</u>	<u>\$ 20,871,645</u>
Deferred taxes and special assessments	\$ 3,810,465	\$ 3,424,282	\$ -	\$ -	\$ 3,810,465	\$ 3,424,282
Other deferred inflows of resources	376,316	402,403	49,090	60,589	425,406	462,992
Total Deferred Inflows of Resources	<u>\$ 4,186,781</u>	<u>\$ 3,826,685</u>	<u>\$ 49,090</u>	<u>\$ 60,589</u>	<u>\$ 4,235,871</u>	<u>\$ 3,887,274</u>
Net Position:						
Net investment in capital assets	\$ 5,924,778	\$ 6,141,055	\$ 5,804,987	\$ 5,496,209	\$ 11,729,765	\$ 11,637,264
Restricted	251,895	285,903	1,600,454	1,622,536	1,852,349	1,908,439
Unrestricted (deficit)	(3,578,291)	(4,591,112)	1,192,878	1,327,501	(2,385,413)	(3,263,611)
Total Net Position	<u>\$ 2,598,382</u>	<u>\$ 1,835,846</u>	<u>\$ 8,598,319</u>	<u>\$ 8,446,246</u>	<u>\$ 11,196,701</u>	<u>\$ 10,282,092</u>

The largest portion of the Village's net position (\$11,729,765) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.); less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net position (\$1,852,349) represents resources that are subject to external restrictions on how they may be used. The remaining *unrestricted deficit net position* is a deficit of (\$2,385,413). This deficit is a result of economic development incentives associated with the Village's TID #3.

At the end of the current fiscal year, the Village of Cross Plains is able to report positive balances in unrestricted net position for the business-type activities of \$1,192,878. The governmental-type activities had an unrestricted deficit of (\$3,578,291).

**VILLAGE OF CROSS PLAINS**  
**Management's Discussion and Analysis**  
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Village of Cross Plains Change in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for services and fees, fines and costs	\$ 547,137	\$ 476,849	\$ 1,829,483	\$ 1,829,650	\$ 2,376,620	\$ 2,306,499
Operating grants and contributions	413,712	559,397	-	-	413,712	559,397
Capital grants and contributions	478,653	1,251,364	7,756	64,311	486,409	1,315,675
<b>General Revenues:</b>						
Property taxes	3,424,282	3,183,395	-	-	3,424,282	3,183,395
Other taxes and special assessments	3,111	3,060	-	-	3,111	3,060
Grants and contributions not restricted to specific programs	192,377	117,011	-	-	192,377	117,011
Unrestricted Interest and Investment	108,531	49,079	10,322	3,338	118,853	52,417
Miscellaneous	85,332	71,466	18,034	22,859	103,366	94,325
<b>Total Revenues</b>	<b>5,253,135</b>	<b>5,711,621</b>	<b>1,865,595</b>	<b>1,920,158</b>	<b>7,118,730</b>	<b>7,631,779</b>
<b>Expenses:</b>						
General Government	461,920	415,295	-	-	461,920	415,295
Public Safety	1,040,939	916,161	-	-	1,040,939	916,161
Public Works	1,288,484	1,434,538	1,686,601	1,682,640	2,975,085	3,117,178
Health, Welfare and Sanitation	-	-	-	-	-	-
Culture and Recreation	1,099,261	1,031,813	-	-	1,099,261	1,031,813
Conservation and Development	338,038	85,886	-	-	338,038	85,886
Interest on Long-Term Debt	288,878	282,677	-	-	288,878	282,677
<b>Total Expenses</b>	<b>4,517,520</b>	<b>4,166,370</b>	<b>1,686,601</b>	<b>1,682,640</b>	<b>6,204,121</b>	<b>5,849,010</b>
Increase (Decrease) in net position before transfers	735,615	1,545,251	178,994	237,518	914,609	1,782,769
Transfers	26,921	2,328	(26,921)	(2,328)	-	-
<b>Increase (Decrease) in Net Position</b>	<b>762,536</b>	<b>1,547,579</b>	<b>152,073</b>	<b>235,190</b>	<b>914,609</b>	<b>1,782,769</b>
Net Position - January 1	1,835,846	339,325	8,446,246	8,211,056	10,282,092	8,550,381
Prior period adjustments	-	(51,058)	-	-	-	-
Net position - beginning	1,835,846	288,267	8,446,246	8,211,056	10,282,092	8,550,381
<b>Net Position - December 31</b>	<b>\$ 2,598,382</b>	<b>\$ 1,835,846</b>	<b>\$ 8,598,319</b>	<b>\$ 8,446,246</b>	<b>\$ 11,196,701</b>	<b>\$ 10,333,150</b>

**Governmental Activities:** Governmental activities increased the Village's net position by \$762,536, accounting for 83 percent of the total increase in net position of the Village. Key elements of this increase are as follows:

- The Village recognized \$245,000 in revenues from Dane County and the State of Wisconsin for park improvements
- The Village received \$220,850 in disaster aid from the Federal Emergency Management Agency related to the flood damage in 2018.

**VILLAGE OF CROSS PLAINS**  
**Management's Discussion and Analysis**  
**December 31, 2019**

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**Business-type activities:** Business-type activities increased the Village's net position by \$152,073, accounting for 17 percent of the change in the net position of the Village. Key elements of this increase are as follows:

- Sewer had operating income of \$257,967.
- Water had operating income of \$74,144.
- Water had transfers to other funds of \$111,054.

**Financial Analysis of the Village of Cross Plains' Funds**

The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds** The focus of the Village of Cross Plains' *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the Village's net resources available for spending at the end of the fiscal year.

As of December 31, 2019, the Village's governmental funds reported combined ending fund balances of \$925,166, an increase of 815% from the prior year. This increase was primarily due grant and debt proceeds received by the Capital Projects funds to pay for improvements and flood mitigation costs that were incurred in prior years. The General Fund also received additional State Shared revenues and higher than expected interest income. Of the combined ending fund balance, (\$126,065) is an *unassigned deficit* and \$295,704 is *committed* for specific purposes. The remainder of fund balance is *non-spendable* or *restricted* to indicate that it is not available for new spending because it has already been committed for the following: 1) for prepayments that benefit periods beyond the end of the current year (\$17,718), 2) for non-current receivables (\$9,209), 3) for inventories (\$519), 4) for library projects (\$214,399), 5) for debt service (\$48,418), 6) for capital projects (\$427,768), and 7) for park improvements (\$37,496).

The general fund is the chief operating fund of the Village. At the end of the current year, unassigned fund balance was at \$465,698.

**VILLAGE OF CROSS PLAINS**  
**Management's Discussion and Analysis**  
**December 31, 2019**

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During the current year, the Village's general fund balance increased by \$209,642.

**Proprietary funds** The Village of Cross Plains' proprietary fund financial statements provide the same type of information found in the Village's government-wide financial statements, but in more detail.

The Water Utility's operating income in 2019 was \$74,144, as compared to operating income of \$16,877 in 2018. In 2019, revenues decreased by less than 1% and expenses (including the tax equivalent) increased 11.8% from the prior year.

The Sewer Utility's operating income was \$257,967 in 2019 and \$206,411 in 2018. This increase was due revenues remaining essentially unchanged and a 4.5% decrease in expenses.

**General Fund Budgetary Highlights**

- Actual expenditures were under budget amounts by \$59,548, or 2.85% of the budgeted expenditures. Actual revenues were over budget by \$142,848.

**Capital Asset and Debt Administration**

**Capital assets** The Village of Cross Plains' investment in capital assets for its governmental and business-type activities as of December 31, 2019 amounts to \$27,288,646 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and public domain infrastructure (roads and storm sewers). The net decrease in the Village's investment in capital assets for the current year was \$126,973. This is due to depreciation expense exceeding additions to capital assets.

Additional information on the Village of Cross Plains' capital assets can be found in Note 3 on pages 22 and 23 of this report.

**Long-term debt** At the end of the current fiscal year, the Village had total debt outstanding of \$18,973,216. General obligation debt which was backed by the full faith of the Village totaled \$10,495,000. The remainder of \$8,478,216 are direct borrowings with the State of Wisconsin and various financial institutions and are secured by a mix of tax revenues and revenues of the Water Utility and Sewer Utility.

During the fiscal year, the net decrease in the Village's debt was \$188,480.

Additional information on Village of Cross Plains' long-term debt can be found in Note 4 on pages 23 to 27 of this report.

**VILLAGE OF CROSS PLAINS**  
**Management's Discussion and Analysis**  
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Economic Factors and Next Year's Budgets and Rates

- The 2019 tax levy (to be collected in 2020) was subject to tax levy limits imposed by the State of Wisconsin.

**Contacting the Village's Financial Management**

This financial report is designed to provide a general overview of the Village of Cross Plains' finances. Questions, concerning any of the information provided in this report or requests for additional information should be addressed to the Village of Cross Plains Administrator, 2417 Brewery Road, Cross Plains, WI 53528.

## **FINANCIAL STATEMENTS**

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Net Position  
December 31, 2019**

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,904,853	\$ 1,337,411	\$ 4,242,264
Receivables	161,703	298,416	460,119
Taxes receivable	1,848,517	-	1,848,517
Internal balances	(484,390)	484,390	-
Inventories	-	6,374	6,374
Prepaid expenses	17,718	7,583	25,301
Other assets	128,887	-	128,887
Restricted assets:			
Cash and cash equivalents	336,163	1,600,454	1,936,617
Capital assets:			
Land, improvements and construction in progress	2,073,971	733,952	2,807,923
Capital assets, net of depreciation	<u>11,682,462</u>	<u>12,798,261</u>	<u>24,480,723</u>
Net capital assets	<u>13,756,433</u>	<u>13,532,213</u>	<u>27,288,646</u>
 Total assets	 <u>18,669,884</u>	 <u>17,266,841</u>	 <u>35,936,725</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pension outflows	730,813	94,871	825,684
Deferred OPEB outflows	13,852	1,976	15,828
Deferred charge on refunding	<u>52,905</u>	<u>-</u>	<u>52,905</u>
 Total deferred outflows of resources	 <u>797,570</u>	 <u>96,847</u>	 <u>894,417</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 19,467,454</u>	 <u>\$ 17,363,688</u>	 <u>\$ 36,831,142</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 177,822	\$ 821,529	\$ 999,351
Long-term liabilities:			
Due within one year			
Bonds, notes payable and contracts	1,402,341	707,055	2,109,396
Accrued interest	67,974	-	67,974
Compensated absences	18,547	-	18,547
Due in more than one year			
Bonds, notes payable and contracts	10,335,477	7,089,090	17,424,567
Compensated absences	356,973	-	356,973
Net life insurance liability	64,502	9,198	73,700
Net pension liability	258,655	33,578	292,233
Deferred credits	<u>-</u>	<u>55,829</u>	<u>55,829</u>
Total liabilities	<u>12,682,291</u>	<u>8,716,279</u>	<u>21,398,570</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred tax levy	3,810,465	-	3,810,465
Deferred pension inflows	357,641	46,427	404,068
Other deferred inflows	<u>18,675</u>	<u>2,663</u>	<u>21,338</u>
Total deferred inflows of resources	<u>4,186,781</u>	<u>49,090</u>	<u>4,235,871</u>
<b>NET POSITION</b>			
Net investment in capital assets	5,924,778	5,804,987	11,729,765
Restricted for:			
Library endowment fund	214,399	-	214,399
Parks - impact fees	37,496	-	37,496
Equipment replacement	-	1,012,097	1,012,097
Debt service	-	463,609	463,609
Unspent bond proceeds	-	124,748	124,748
Unrestricted (deficit)	<u>(3,578,291)</u>	<u>1,192,878</u>	<u>(2,385,413)</u>
Total net position	<u>2,598,382</u>	<u>8,598,319</u>	<u>11,196,701</u>
 Total Liabilities, Deferred Inflows of Resources, and Net Position	 <u>\$ 19,467,454</u>	 <u>\$ 17,363,688</u>	 <u>\$ 36,831,142</u>

The accompanying notes to the financial statements are an integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Activities  
For the Year Ended December 31, 2019**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental Activities:							
General Government	\$ 461,920	\$ 141,389	\$ -	\$ -	\$ (320,531)		\$ (320,531)
Public Safety	1,040,939	86,496	15,885	-	(938,558)		(938,558)
Public Works	1,288,484	7,097	296,836	233,653	(750,898)		(750,898)
Culture and Recreation	1,099,261	312,155	100,991	245,000	(441,115)		(441,115)
Conservation and Development	338,038	-	-	-	(338,038)		(338,038)
Interest on Long-term Debt	288,878	-	-	-	(288,878)		(288,878)
Total governmental activities	<u>4,517,520</u>	<u>547,137</u>	<u>413,712</u>	<u>478,653</u>	<u>(3,078,018)</u>		<u>(3,078,018)</u>
Business-type Activities:							
Water	445,561	469,314	-	-	-	\$ 23,753	23,753
Sewer	1,241,040	1,360,169	-	7,756	-	126,885	126,885
Total business-type activities	<u>1,686,601</u>	<u>1,829,483</u>	<u>-</u>	<u>7,756</u>	<u>-</u>	<u>150,638</u>	<u>150,638</u>
Total	<u>\$ 6,204,121</u>	<u>\$ 2,376,620</u>	<u>\$ 413,712</u>	<u>\$ 486,409</u>	<u>(3,078,018)</u>	<u>150,638</u>	<u>(2,927,380)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					1,902,469	-	1,902,469
Property taxes, levied for debt service					1,004,250	-	1,004,250
Property taxes, tax increment					517,563	-	517,563
Payments in lieu of taxes					3,111	-	3,111
Grants and contributions not restricted to specific programs					192,377	-	192,377
Unrestricted investment earnings					108,531	10,322	118,853
Miscellaneous					85,332	18,034	103,366
Transfers					26,921	(26,921)	-
Total general revenues and transfers					<u>3,840,554</u>	<u>1,435</u>	<u>3,841,989</u>
Change in net position					<u>762,536</u>	<u>152,073</u>	<u>914,609</u>
Net Position - Beginning					<u>1,835,846</u>	<u>8,446,246</u>	<u>10,282,092</u>
Net Position - Ending					<u>\$ 2,598,382</u>	<u>\$ 8,598,319</u>	<u>\$ 11,196,701</u>

The accompanying notes to financial statements are in integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Balance Sheet  
Governmental Funds  
December 31, 2019**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>TID #3 Fund</u>	<u>Parks Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 383,577	\$ 48,418	\$ -	\$ -	\$ 317,581	\$ 127,347	\$ 876,923
Cash - Advance Tax Collections	750,803	573,935	-	390,309	158,553	154,331	2,027,931
Receivables:							
Taxes	671,371	524,865	-	356,939	144,997	141,136	1,839,308
Delinquent Personal Property Taxes	8	-	-	-	-	-	8
Special Assessments	9,201	-	-	-	-	-	9,201
Accounts	30,189	-	131,514	-	-	-	161,703
Due from Other Funds	82,878	-	-	-	-	-	82,878
Inventories	519	-	-	-	-	-	519
Prepaid Expenses	17,718	-	-	-	-	-	17,718
Restricted Cash	-	-	336,163	-	-	-	336,163
Other Restricted Assets	-	-	-	-	-	128,368	128,368
Total Assets	<u>\$ 1,946,264</u>	<u>\$ 1,147,218</u>	<u>\$ 467,677</u>	<u>\$ 747,248</u>	<u>\$ 621,131</u>	<u>\$ 551,182</u>	<u>\$ 5,480,720</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts Payable	\$ 48,375	\$ -	\$ 39,909	\$ 15,496	\$ 16,802	\$ 8,895	\$ 129,477
Accrued Liabilities	33,166	-	-	-	-	-	33,166
Due to Other Funds	-	-	-	82,878	-	-	82,878
Other Payables	15,179	-	-	-	-	-	15,179
Advances Payable	-	-	-	484,389	-	-	484,389
Total Liabilities	<u>96,720</u>	<u>-</u>	<u>39,909</u>	<u>582,763</u>	<u>16,802</u>	<u>8,895</u>	<u>745,089</u>
Deferred Inflows of Resources:							
Subsequent Year Tax Levy	1,365,400	1,098,800	-	747,248	303,550	295,467	3,810,465
Total Deferred Inflows of Resources	<u>1,365,400</u>	<u>1,098,800</u>	<u>-</u>	<u>747,248</u>	<u>303,550</u>	<u>295,467</u>	<u>3,810,465</u>
Fund Balances:							
Nonspendable	27,446	-	-	-	-	-	27,446
Restricted	-	48,418	427,768	-	37,496	214,399	728,081
Committed	-	-	-	-	263,283	32,421	295,704
Unassigned (Deficit)	456,698	-	-	(582,763)	-	-	(126,065)
Total Fund Balances	<u>484,144</u>	<u>48,418</u>	<u>427,768</u>	<u>(582,763)</u>	<u>300,779</u>	<u>246,820</u>	<u>925,166</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,946,264</u>	<u>\$ 1,147,218</u>	<u>\$ 467,677</u>	<u>\$ 747,248</u>	<u>\$ 621,131</u>	<u>\$ 551,182</u>	<u>\$ 5,480,720</u>

The accompanying notes to financial statements are an integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
December 31, 2019**

Total fund balance, governmental funds	\$	925,166
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.

Governmental capital assets (net of accumulated depreciation)		13,756,431
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Pension and OPEB liabilities and deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit plans. These items are reflected in the Statement of Net Position and are being amortized with expenses in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.

Net pension liability	(258,655)	
Net life insurance liability	(64,502)	
Deferred outflows of resources	744,665	
Deferred inflows of resources	(376,316)	
		45,192

Some liabilities, (such as Notes Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.

Long-term debt	(11,737,818)	
Unamortized loss on advanced refunding	52,905	
Accrued vacation and sick	(375,520)	
Accrued interest	(67,974)	
		(12,128,407)

Net Position of Governmental Activities in the Statement of Net Position	\$	2,598,382
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**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2019**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>TID #3 Fund</u>	<u>Parks Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>							
Property Taxes	\$ 1,326,121	\$ 1,004,250	\$ 7,000	\$ 517,563	\$ 278,575	\$ 290,794	\$ 3,424,303
Other Taxes	3,089	-	-	-	-	-	3,089
Intergovernmental	480,013	-	494,564	9,174	-	100,991	1,084,742
License and Permits	92,796	-	-	-	-	-	92,796
Fines, Forfeits and Penalties	13,628	-	-	-	-	2,328	15,956
Public Charges for Services	56,599	-	-	-	314,689	-	371,288
Investment Income (Loss)	83,081	-	-	-	-	25,450	108,531
Miscellaneous Income	88,121	-	16,428	30,682	-	19,035	154,266
Total Revenues	<u>2,143,448</u>	<u>1,004,250</u>	<u>517,992</u>	<u>557,419</u>	<u>593,264</u>	<u>438,598</u>	<u>5,254,971</u>
<b>EXPENDITURES</b>							
Current:							
General Government	403,291	-	-	-	-	-	403,291
Public Safety	847,846	-	-	-	-	-	847,846
Public Works	715,448	-	-	-	-	-	715,448
Culture, Recreation and Education	-	-	-	-	502,575	403,701	906,276
Conservation and Development	64,467	-	-	81,058	-	-	145,525
Capital Outlay	-	-	714,392	-	-	-	714,392
Debt Service:							
Principal Repayment	-	914,184	29,800	405,000	-	-	1,348,984
Interest and Fiscal Charges	-	164,329	25,509	81,484	-	-	271,322
Total Expenditures	<u>2,031,052</u>	<u>1,078,513</u>	<u>769,701</u>	<u>567,542</u>	<u>502,575</u>	<u>403,701</u>	<u>5,353,084</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>112,396</u>	<u>(74,263)</u>	<u>(251,709)</u>	<u>(10,123)</u>	<u>90,689</u>	<u>34,897</u>	<u>(98,113)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from Long-Term Debt	-	-	1,036,497	-	-	-	1,036,497
Proceeds from Capital Lease	-	-	89,400	-	-	-	89,400
Transfers In	115,171	10,000	-	-	-	17,925	143,096
Transfers Out	(17,925)	-	-	(88,250)	(10,000)	-	(116,175)
Total Other Financing Sources and Uses	<u>97,246</u>	<u>10,000</u>	<u>1,125,897</u>	<u>(88,250)</u>	<u>(10,000)</u>	<u>17,925</u>	<u>1,152,818</u>
Net Change in Fund Balances	209,642	(64,263)	874,188	(98,373)	80,689	52,822	1,054,705
Fund Balances (Deficit) - Beginning	274,502	112,681	(446,420)	(484,390)	220,090	193,998	(129,539)
Fund Balances (Deficit) - Ending	<u>\$ 484,144</u>	<u>\$ 48,418</u>	<u>\$ 427,768</u>	<u>\$ (582,763)</u>	<u>\$ 300,779</u>	<u>\$ 246,820</u>	<u>\$ 925,166</u>

The accompanying notes to financial statements are an integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended December 31, 2019**

Net change in fund balances - total governmental funds: \$ 1,054,705

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlays, \$587,681, were less than depreciation, \$746,171, in the current period. (158,490)

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.

The amount of long-term debt principal payments in the current year	1,371,024	
The amount of long-term debt acquired in the current year	(1,089,639)	
Premium on long-term debt	<u>(36,258)</u>	
		245,127

Some expenses reported in the Statement of Activities follow the full accrual basis of accounting. The modified accrual basis is used in the fund statements so there is a perspective difference.

Accrued interest not reflected on Governmental funds	(8,739)
Compensated absences recorded when paid in Governmental funds	(41,607)
Amortization of loss on refunding	(8,817)

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas in the governmental funds there is no use of financial resources. As a result, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets.

Loss on disposal of capital assets (234,077)

The Government-wide statements reflect assets and liabilities, deferred inflows and outflows for the WRS and life insurance liability. The fund statements do not reflect these accounts. This amount reflects the net change in the pension asset and life insurance liability that is reflected in the Statement of Activities but not in the fund statements.

(85,566)

Change in net position of governmental activities \$ 762,536

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Net Position  
Proprietary Funds  
December 31, 2019**

	<b>Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 263,791	\$ 1,073,620	\$ 1,337,411
Accounts Receivable	66,061	232,355	298,416
Advances Receivable	-	484,390	484,390
Inventories	5,686	688	6,374
Prepaid Expenses	3,250	4,333	7,583
Total Current Assets	338,788	1,795,386	2,134,174
Restricted Assets:			
Restricted Cash and Cash Equivalents	195,118	1,405,336	1,600,454
Total Restricted Assets	195,118	1,405,336	1,600,454
Capital Assets:			
Land and Construction Work in Progress	73,343	660,609	733,952
Capital Assets	6,463,848	13,698,776	20,162,624
Less Accumulated Depreciation	(1,797,848)	(5,566,515)	(7,364,363)
Net Capital Assets	4,739,343	8,792,870	13,532,213
Total Assets	5,273,249	11,993,592	17,266,841
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pension Outflows	46,156	48,715	94,871
Deferred OPEB Outflows	320	1,656	1,976
Total Deferred Outflows of Resources	46,476	50,371	96,847
Total Assets and Deferred Outflows of Resources	\$ 5,319,725	\$ 12,043,963	\$ 17,363,688
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	\$ 71,892	\$ 708,713	\$ 780,605
Accrued Liabilities	9,695	31,229	40,924
Current Portion of Long-Term Debt:			
Bonds and Loans Payable	143,121	563,934	707,055
Total Current Liabilities	224,708	1,303,876	1,528,584
Non-Current Liabilities:			
Long-Term Debt			
Bonds and Loans Payable	2,444,274	4,644,816	7,089,090
Total Long-Term Debt	2,444,274	4,644,816	7,089,090
Other Liabilities			
Net OPEB Liability	1,489	7,709	9,198
Net Pension Liability	16,336	17,242	33,578
Deferred Credits	55,829	-	55,829
Total Other Liabilities	73,654	24,951	98,605
Total Non-Current Liabilities	2,517,928	4,669,767	7,187,695
Total Liabilities	2,742,636	5,973,643	8,716,279
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pension Inflows	22,587	23,840	46,427
Deferred OPEB inflows	431	2,232	2,663
Total Deferred Inflows of Resources	23,018	26,072	49,090
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,186,508	3,618,479	5,804,987
Restricted for:			
Debt service	104,729	358,880	463,609
Equipment replacement	-	1,012,097	1,012,097
Unspent bond proceeds	90,389	34,359	124,748
Unrestricted	172,445	1,020,433	1,192,878
Total Net Position	2,554,071	6,044,248	8,598,319
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 5,319,725	\$ 12,043,963	\$ 17,363,688

The accompanying notes to financial statements are an integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2019**

	<b>Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 459,235	\$ 1,351,881	\$ 1,811,116
Other Operating Revenues	10,079	8,288	18,367
Total Operating Revenues	469,314	1,360,169	1,829,483
<b>OPERATING EXPENSES</b>			
Operation and Maintenance	246,976	687,394	934,370
Depreciation and Amortization	139,719	414,808	554,527
Taxes	8,475	-	8,475
Total Operating Expenses	395,170	1,102,202	1,497,372
Operating Income (Loss)	74,144	257,967	332,111
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest and Investment Revenue	1,334	8,988	10,322
Miscellaneous Non-Operating Revenue	18,034	-	18,034
Hook Up Fees	-	7,756	7,756
Interest Expense	(50,391)	(138,838)	(189,229)
Total Non-Operating Revenues (Expenses)	(31,023)	(122,094)	(153,117)
Income (Loss) Before Transfers	43,121	135,873	178,994
Transfers In	33,500	54,750	88,250
Transfers Out	(111,054)	(4,117)	(115,171)
Change in Net Position	(34,433)	186,506	152,073
Total Net Position - Beginning	2,588,504	5,857,742	8,446,246
Total Net Position - Ending	\$ 2,554,071	\$ 6,044,248	\$ 8,598,319

The accompanying notes to financial statements are an integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2019**

	<b>Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 491,562	\$ 1,414,177	\$ 1,905,739
Payments to suppliers	(115,718)	(473,990)	(589,708)
Payments to employees	(116,724)	(153,681)	(270,405)
Taxes paid	(119,529)	(6,254)	(125,783)
Net cash provided (used) by operating activities	<u>139,591</u>	<u>780,252</u>	<u>919,843</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from capital debt	109,082	630,000	739,082
Purchase or construction of capital assets	(42,616)	(232,270)	(274,886)
Transfers from (to) other funds	33,500	50,633	84,133
Hook up fees	-	7,756	7,756
Principal paid on capital debt	(145,985)	(493,494)	(639,479)
Interest paid on capital debt	(48,550)	(127,163)	(175,713)
Net cash provided (used) by capital and related financing activities	<u>(94,569)</u>	<u>(164,538)</u>	<u>(259,107)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends	1,328	8,988	10,316
Net cash provided (used) by investing activities	<u>1,328</u>	<u>8,988</u>	<u>10,316</u>
Net increase (decrease) in cash and cash equivalents	46,350	624,702	671,052
Cash at beginning of year	412,559	1,854,254	2,266,813
Cash at end of year	<u>\$ 458,909</u>	<u>\$ 2,478,956</u>	<u>\$ 2,937,865</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>			
Operating income (loss)	\$ 74,144	\$ 257,967	\$ 332,111
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Joint Meter	12,845	-	12,845
Depreciation expense	139,719	411,454	551,173
Pension expense	1,976	20,974	22,950
Changes in assets, deferred outflows, liabilities and deferred inflows:			
Receivables, net	22,248	45,720	67,968
Transfers out	(111,054)	-	(111,054)
Accounts and other payables	(287)	44,137	43,850
Net cash provided (used) by operating activities	<u>\$ 139,591</u>	<u>\$ 780,252</u>	<u>\$ 919,843</u>
<b>Reconciliation of cash and cash equivalents to statement of net position</b>			
Cash and cash equivalents	\$ 263,791	\$ 1,073,620	\$ 1,337,411
Restricted cash and cash equivalents	195,118	1,405,336	1,600,454
	<u>\$ 458,909</u>	<u>\$ 2,478,956</u>	<u>\$ 2,937,865</u>

The accompanying notes to financial statements are an integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Net Position  
Fiduciary Fund  
December 31, 2019**

	<u>Custodial Fund</u>
ASSETS	
Cash and Investments	\$ 2,816,832
Taxes Receivable	<u>2,576,001</u>
Total Assets	<u>\$ 5,392,833</u>
LIABILITIES	
Due to Other Governments	<u>\$ 5,392,833</u>
Total Liabilities	<u>\$ 5,392,833</u>

The accompanying notes to financial statements are an integral part of this statement.

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2019**

	<u>Custodial Fund</u>
ADDITIONS	
Property tax collections for other governments	\$ 3,834,042
Total Additions	<u>3,834,042</u>
DEDUCTIONS	
Payments of taxes to other governments	<u>3,834,042</u>
Total Deductions	<u>3,834,042</u>
Net increase (decrease) in fiduciary net position	-
Net position - Beginning	-
Net position - Ending	<u>\$ -</u>

The accompanying notes to financial statements are an integral part of this statement.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**1. Significant Accounting Policies**

The accounting policies of the Village of Cross Plains, Wisconsin conform to accounting principles generally accepted in the United States of America as applicable to governmental units.

**A. Reporting Entity**

The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. The Village has no component units which must be included in the reporting entity because of the significance of their operational or financial relationships with the Village.

See Note 7 regarding joint ventures.

**B. Government-Wide and Fund Financial Statements**

**Government-Wide Financial Statements**

The government-wide financial statements report information on all of the nonfiduciary activities of the Village. The effect of most interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers for services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the requirements of a particular function. Taxes and other items not included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Fund Financial Statements**

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows, liabilities, deferred inflows, net position/fund equity, revenues, and expenditures/expenses.

In addition, all funds in the fund financial statements are reported as business-type activities, governmental activities or fiduciary funds. The definitions for these types of activities are discussed in other portions of Note 1.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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- 1. Significant Accounting Policies (Continued)**
- B. Government-Wide and Fund Financial Statements (Continued)**

**Fund Financial Statements (Continued)**

Funds are reported as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type and
- b. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

The Village reports the following major governmental funds:

**The General Fund** is the general operating fund of the municipality. It is used to account for all financial resources except those required to be accounted for in another fund.

**The Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**The Capital Projects Fund** is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

**Tax Increment District #3 Fund** (“TID #3”) is used to account for financial resources to be used for improvements in the Village’s TIF district.

**Parks Fund** is used to account for the operations of the parks and recreation programs of the Village.

The Village reports the following major proprietary funds:

**Enterprise Funds** - The enterprise funds are the water utility and the sewer utility.

The non-major governmental funds of the Village are the Library Operations Fund and the Library Endowment Fund.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**1. Significant Accounting Policies (Continued)**  
**B. Government-Wide and Fund Financial Statements (Continued)**

In addition, the Village reports the following fund type:

**Fiduciary funds** – Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) The government controls the assets that finance the activity, b) Assets are not generated from the government's own-source revenues or from government-mandated or voluntary nonexchange transactions, c) Assets are administered through a qualifying trust or the government does not have administrative involvement and the assets are not generated from the government's delivery of goods or services to the beneficiaries, or the assets are for the benefit of entities that are not part of the government's reporting entity.

The Village reports the following fiduciary funds:

**Custodial Funds** - used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Village accounts for tax collections payable to overlying taxing jurisdictions in a custodial fund.

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized when all eligibility requirements have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Resources not available to finance expenditures and commitments of the current period are recorded as deferred inflows of resources or nonspendable fund equity. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**D. Budgets**

Annual budgets, as required by state statutes, are approved by the Village Board. Budgets were adopted for the general fund, debt service fund and capital projects fund. Appropriations lapse at year-end unless specifically carried over. Expenditures are controlled at the department level. See notes to required supplementary information for additional information.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**1. Significant Accounting Policies (Continued)**

**E. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Village considers all highly liquid, unrestricted investments with an initial maturity of three months or less to be cash equivalents.

**F. Taxes Receivable**

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided. In addition to property taxes for the municipality, taxes are collected for and remitted to the state and county governments as well as the local and vocational school districts. Taxes for other state and local governmental units collected in the current year for the succeeding year are reported as payable to other governments. Taxes are levied in December on the assessed value as of the prior January 1.

**Property tax calendar - 2019 tax roll**

Lien date and levy date	December 2019
Tax bills mailed	December 2019
Payment in full, or	
First installment due	January 31, 2020
Second installment due	July 31, 2020
Personal property taxes in full	January 31, 2020
Tax sale – 2019 delinquent real estate taxes	October 2022

**G. Allowance for Uncollectible Accounts**

Delinquent real estate taxes are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made in the accompanying utility financial statements because the water and sewer utilities have the right by law to place delinquent bills on the tax roll.

**H. Capital Assets**

Additions to and replacements of capital assets are recorded at original cost, which includes material, labor, overhead, and interest incurred during construction. Contributed capital assets are recorded at fair market value at the time received. The cost of property replaced, retired, or otherwise disposed of, is deducted from plant accounts and accumulated depreciation.

The cost of streets and curb and gutter acquired prior to 2001 was estimated. The cost of storm water drainage systems and sidewalks acquired prior to 2001 has not been capitalized.

Capital assets acquired for governmental purposes are recorded as expenditures in the governmental fund financial statements.

Depreciation is recorded using the straight-line method over the estimated useful lives. The rate used in the sewer utility varies between 1.11% to 20%. The rate used in the water utility varies between 1.3% to 26.7%.

**I. Inventories**

Proprietary fund inventories are generally used for construction or maintenance - not for resale. They are valued at cost based on first in - first out and charged to construction or maintenance when used.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**1. Significant Accounting Policies (Continued)**

**J. Long Term Debt**

In the government-wide and proprietary fund financial statements, long-term liabilities are reported as liabilities. Long term liabilities are not reported in the governmental fund financial statements. Proceeds of long-term debt issues are reflected as "Other Financing Sources" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

**K. Deferred Regulatory Credit**

In 2004, the Public Service Commission of Wisconsin required regulated utilities (the water utility) to create a deferred regulatory credit account. The amount of the credit was equal to the estimated accumulated depreciation on contributed utility plant as of December 31, 2003. The credit has the effect of reducing the rate base used by the Commission in approving user rates charged by the utilities. The credit is being amortized to non-operating income over a period of 20 years.

**L. Compensated Absences**

The governmental funds have not recorded liabilities for accrued employee vacations and sick leave since these will not be liquidated from current revenues. The actual expenditure will be recorded at the time the benefits are used by the employee, and will be paid at the rate of pay then in effect. Under terms of employment, municipal employees are granted vacations and sick leave in varying amounts. To the extent that sick leave and vacation must be paid by the municipality when an employee leaves employment, such amounts are considered to be a long-term liability and are reported in the government-wide and proprietary fund financial statements.

**M. Claims and Judgments**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. The related expenditure is recognized when the liability is liquidated. Claims and judgments are reported in the government-wide and proprietary fund financial statements as expenses when the related liabilities are incurred.

**N. Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources, and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

**O. Other Post-Employment Benefit**

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**1. Significant Accounting Policies (Continued)**  
**P. Deferred Outflows and Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

**Q. Equity**

Equity is classified as net position in the government-wide and proprietary fund financial statements and displayed in three components. 1) Net investment in capital assets – the amount of capital assets less accumulated depreciation and outstanding debt related to the purchase, construction or improvement of capital assets. 2) Restricted net position – amount of net position subject to restrictions that are imposed by external groups or law. 3) Unrestricted net position – net position that is classified as neither of the above.

When both restricted and unrestricted resources are available, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, governmental fund balance is presented in five possible categories:

**Nonspendable** – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

**Restricted** – resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – resources which are subject to limitation the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

**Assigned** – resources neither restricted nor committed for which a government has stated intended use for a specific purpose. This intent can be expressed through the Village Board or through the Village Board delegating this responsibility to the Village Administrator/Clerk-Treasurer through the budgetary process.

**Unassigned** – resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

The Village would typically use Restricted fund balances first, followed by Committed resources and then Assigned resources, but reserves the right to selectively spend Unassigned resources first and to defer the use of these other classified funds.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**1. Significant Accounting Policies (Continued)**  
**R. Revenues and Expenses**

Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the municipality is entitled to the aids.

Special assessments are recorded as revenues when collected. Annual installments due in future years are reflected as receivables and deferred inflows.

Proprietary fund revenues are recorded when services are billed. Unbilled receivables are not recorded since the amount is not material. Rates charged by the water utility are regulated by the Public Service Commission (PSC) of Wisconsin. Rates charged by the sewer utility are approved by the Village Board.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are user charges for water consumption and for wastewater disposal and treatment. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Contributions and contributed capital to the water and sewer utilities are reflected as non-operating revenue.

**S. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The Village maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**T. Change in Accounting Principle**

Effective January 1, 2019, the Village adopted provisions of GASB Statement No. 84, Fiduciary Activities ("GASB No. 84"). GASB No. 84 establishes general criteria for determining what activities should be reported in the fiduciary funds and requires the recognition of a liability when an event has occurred that requires the disbursement of fiduciary resources. Implementation of GASB No. 84 replaces Agency Fund types with Custodial Funds for the accumulation of assets for entities outside the government's reporting entity. Unlike Agency Funds, Custodial Funds present a statement of net position and a statement of changes in net position. The statement of changes in fiduciary net position reports additions and deductions for taxes collected and distributed on behalf of, or to, other governments.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**2. Cash and Investments**

Investment of Village funds is restricted by State statutes. Available investments are limited to:

- (1) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State;
- (2) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government;
- (3) Bonds or securities of any county, drainage district, VTAE district, village, city, town, or school district of this State;
- (4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's investor service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating;
- (5) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes;
- (6) Agreements in which a public depository agrees to repay funds advanced to it by the Board, plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government;
- (7) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options;
- (8) Bonds issued by the University of Wisconsin Hospital and Clinics Authority and the Wisconsin Aerospace Authority.

The Village's deposits and investments at year end were comprised of the following:

	Bank Balance	Carrying Value Balance	Associated Risk
Deposits	\$ 8,515,380	\$ 8,995,713	Custodial credit risk
Total Cash and Investments	\$ 8,515,380	\$ 8,995,713	
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 4,242,264		
Restricted cash and investments	1,936,617		
Per statement of net position -			
Fiduciary Funds			
Tax Custodial Fund	2,816,832		
Total Cash and Investments	\$ 8,995,713		

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**2. Cash and Investments (Continued)**

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure of fair value losses arising from increasing interest rates.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village has no investment policy that would further limit its investment choices.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the Village would not be able to recover the value of its investment of collateral securities that are in the possession of another party. The Village does not have an investment policy for custodial credit risk.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts and \$250,000 for demand deposit accounts. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. Fluctuating cash flows during the year due to tax collections, receipt of state aids and/or proceeds from borrowing may have resulted in temporary balances exceeding insured amounts by substantially higher amounts.

As of December 31, 2019, all of the Village's deposits with financial institutions were covered by federal depository insurance limits, collateralized by securities held by the pledging financial institution or were held in an Insured Cash Sweep (ICS) account. Funds held in the ICS account that exceed FDIC limits are deposited into separate accounts at different financial institutions to ensure that their balances never exceed the FDIC limits. A summary follows:

Deposits covered by FDIC, State Deposit Guarantee and Insured Cash Sweep	\$ 7,661,601
Uninsured deposits covered by collateral	1,084,123

Concentration of Credit Risk

The Village does not have a policy for concentration of credit risk. No Village investment represents 5% or more of the total investments.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**2. Cash and Investments (Continued)**

Connection Fees

The Sewer Utility collects solid and liquid connection fees which are available to use for purposes as directed by the Village Board. Through December 31, 2019, the Sewer Utility has collected \$650,645 in connection fees, which have not been held in a separate designated account. The solid connection fees have historically been used to offset the cost of the improvements to the Dane-Iowa Wastewater Treatment Facility. Liquid connection fees are collected to offset the cost of future improvements to the Village wastewater treatment facility.

**Restricted Cash**

The use of certain cash accounts is restricted by loan and grant agreements. The restricted accounts are as follows:

Enterprise Funds:	1/1/2019	Increases	Decreases	12/31/2019
Sewerage System Depreciation Fund - includes annual deposits, and will be used for the sewer collection system.	\$ 226,764	\$ 80,168	\$ -	\$ 306,932
Sewerage System Bond Fund - includes annual deposits and is used to pay off Clean Water Fund loan.	322,478	36,402	-	358,880
Equipment Replacement Fund - required by the DNR, includes annual deposits and is restricted for treatment plant equipment.	1,024,725	65,440	385,000	705,165
Unspent Bond Proceeds - Sewer Utility	-	34,359	-	34,359
Unspent Bond Proceeds - Water Utility	-	90,389	-	90,389
Water System Bond Fund - includes annual deposits and is used to pay off Safe Drinking Water loan.	48,569	56,160	-	104,729
Total	<u>\$ 1,622,536</u>	<u>\$ 362,918</u>	<u>\$ 385,000</u>	<u>\$ 1,600,454</u>

In addition, the Capital Projects fund holds \$336,163 in unspent bond proceeds that are restricted for future capital projects.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

**3. Capital Assets**

Capital asset activity for the year ended December 31, 2019 is shown below:

Governmental Activities	Balance 1/1/2019	Additions	Deletions	Balance 12/31/2019
<i>Capital assets, not being depreciated</i>				
Land and right of ways	\$ 2,230,422	\$ 58,102	\$ 214,553	\$ 2,073,971
Construction work in progress	17,690	-	17,690	-
Subtotals	<u>2,248,112</u>	<u>58,102</u>	<u>232,243</u>	<u>2,073,971</u>
<i>Capital assets, being depreciated</i>				
Infrastructure	10,561,262	245,566	219,285	10,587,543
Buildings and improvements	8,416,066	11,981	-	8,428,047
Equipment and vehicles	2,157,792	272,032	-	2,429,824
Subtotals	<u>21,135,120</u>	<u>529,579</u>	<u>219,285</u>	<u>21,445,414</u>
<i>Accumulated depreciation</i>				
Infrastructure	3,970,618	355,033	217,451	4,108,200
Buildings and improvements	3,749,978	196,540	-	3,946,518
Equipment and vehicles	1,513,636	194,598	-	1,708,234
Subtotals	<u>9,234,232</u>	<u>746,171</u>	<u>217,451</u>	<u>9,762,952</u>
<i>Net capital assets, being depreciated</i>	<u>11,900,888</u>	<u>(216,592)</u>	<u>1,834</u>	<u>11,682,462</u>
Capital Assets, net	<u>\$14,149,000</u>	<u>\$ (158,490)</u>	<u>\$ 234,077</u>	<u>\$ 13,756,433</u>

  

Business-type Activities	Balance 1/1/2019	Additions	Deletions	Balance 12/31/2019
<i>Capital assets, not being depreciated</i>				
Land and land easements	\$ 30,317	\$ 500,000	\$ -	\$ 530,317
Construction work in progress	139,298	64,337	-	203,635
Subtotals	<u>30,317</u>	<u>564,337</u>	<u>-</u>	<u>733,952</u>
<i>Capital assets, being depreciated</i>				
Sewer utility plant				
Buildings and infrastructure	12,400,654	146,578	14,700	12,532,532
Equipment and vehicles	1,101,551	85,693	21,000	1,166,244
Water utility plant				
Buildings and infrastructure	4,593,011	27,617	3,000	4,617,628
Equipment and vehicles	1,841,633	5,388	800	1,846,221
Subtotals	<u>19,936,849</u>	<u>265,276</u>	<u>39,500</u>	<u>20,162,625</u>
<i>Accumulated depreciation</i>				
Sewer utility plant	5,190,761	411,455	35,700	5,566,516
Water utility plant	1,649,084	152,564	3,800	1,797,848
Subtotals	<u>6,839,845</u>	<u>564,019</u>	<u>39,500</u>	<u>7,364,364</u>
<i>Net capital assets, being depreciated</i>	<u>13,097,004</u>	<u>(298,743)</u>	<u>-</u>	<u>12,798,261</u>
Capital Assets, net	<u>\$ 13,127,321</u>	<u>\$ 265,594</u>	<u>\$ -</u>	<u>\$ 13,532,213</u>

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

**3. Capital Assets (Continued)**

Depreciation expense was charged to functions on the Statement of Activities as follows:

Governmental activities:	
General government	\$ 40,231
Public safety	112,953
Public works	417,210
Culture and recreation	175,776
Total	<u>\$ 746,171</u>
Business-type activities:	
Sewer Utility	\$ 411,454
Water Utility	152,564
Total	<u>\$ 564,018</u>

**4. Long Term Obligations**

The following is a summary of the long-term debt transactions for the year ended December 31, 2019:

	Balance 1/1/2019	Increases	Decreases	Balance 12/31/2019
<u>Governmental Activities</u>				
Bonds, Notes and Other Payables				
General Obligation Bonds and Notes	\$ 9,635,000	\$ 865,000	\$ 1,105,000	\$ 9,395,000
Direct Borrowings - General Obligation	902,523	-	170,048	732,475
Direct Borrowings - Revenue Bonds	923,549	135,238	44,136	1,014,651
Capital Leases	-	89,400	29,800	59,600
Developer Incentives	521,873	-	22,039	499,834
Premium on Debt	-	36,258	-	36,258
Total	<u>\$ 11,982,945</u>	<u>\$ 1,125,896</u>	<u>\$ 1,371,023</u>	<u>\$ 11,737,818</u>
<u>Business-Type Activities</u>				
Bonds, Notes and Other Payables				
General Obligation Bonds and Notes	\$ 435,000	\$ 735,000	\$ 70,000	\$ 1,100,000
Direct Borrowings - General Obligation	22,477	-	4,952	17,525
Direct Borrowings - Revenue Bonds	7,243,147	-	589,182	6,653,965
Premium on Debt	-	24,656	-	24,656
Total	<u>\$ 7,700,624</u>	<u>\$ 759,656</u>	<u>\$ 664,134</u>	<u>\$ 7,796,146</u>

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

**4. Long Term Obligations (Continued)**  
**A. Governmental Debt**

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. General obligation notes and bonds will be retired by future property tax levies accumulated by the debt service funds. Tax increment district debt is payable from annual tax increments collected on the tax roll. If the tax increments are not sufficient, the debt will be paid by future tax levies. Proprietary fund debt is payable by revenues from user fees of those funds.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the municipality may not exceed five percent of the equalized value of taxable property within the municipality's jurisdiction. The debt limit as of December 31, 2019 was \$21,161,680. The total of general obligation debt at December 31, 2019 was \$11,245,000.

The following debt issues comprise the outstanding balance as of December 31, 2019.

	<u>Date Of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/19</u>	<u>Current Portion</u>
<b>Governmental Activities</b>						
<u>General Obligation</u>						
	12/2/2010	3/1/2022	.70-3.00%	\$ 3,175,000	\$ 690,000	\$ 240,000
	5/15/2012	5/1/2025	.70-2.80%	2,025,000	960,000	160,000
	6/11/2014	6/1/2033	.80-3.80%	1,805,000	1,515,000	100,000
	4/7/2015	4/1/2025	.80-2.40%	1,050,000	850,000	125,000
	7/21/2016	6/1/2036	1.10-3.00%	1,480,000	1,340,000	75,000
	10/20/2016	3/1/2026	1.10-2.40%	3,535,000	2,435,000	400,000
	9/14/2017	9/1/2027	1.35-2.30%	890,000	740,000	50,000
	4/11/2019	4/1/2029	1.95-2.50%	865,000	865,000	30,000
Total Governmental Activities -- General Obligation Debt					<u>9,395,000</u>	<u>1,180,000</u>
<u>Direct Borrowings - General Obligation</u>						
	8/31/2011	4/1/2021	1.99%	725,000	30,000	15,000
	4/17/2013	4/1/2023	.45-1.85%	495,000	222,475	55,429
	8/9/2018	4/1/2028	2.00-3.15%	570,000	480,000	54,000
Subtotal					<u>732,475</u>	<u>124,429</u>
<u>Direct Borrowings - Revenue Bonds</u>						
	5/23/2018	5/1/2038	1.87%	444,019	425,515	18,859
	5/23/2018	5/1/2038	1.87%	614,768	589,136	26,110
Subtotal					<u>1,014,651</u>	<u>44,969</u>
Total Governmental Activities -- Direct Borrowings					<u>1,747,126</u>	<u>169,398</u>
<b>Total Governmental Activities</b>					<u><u>\$ 11,142,126</u></u>	<u><u>\$ 1,349,398</u></u>

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

**4. Long Term Obligations (Continued)**  
**B. Business-Type Debt**

Long-term debt issues outstanding at December 31, 2019, and total debt outstanding were as follows:

	<u>Date Of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/19</u>	<u>Current Portion</u>
<b>Business-Type Activities</b>						
<u>General Obligation</u>						
	5/15/2012	5/1/2025	.70-2.80%	\$ 85,000	\$ 30,000	\$ 10,000
	5/15/2012	5/1/2025	.70-2.80%	120,000	50,000	15,000
	6/11/2014	6/1/2033	.80-3.80%	170,000	100,000	20,000
	7/21/2016	6/1/2036	1.10-3.00%	130,000	75,000	15,000
	7/21/2016	6/1/2036	1.10-3.00%	140,000	110,000	10,000
	4/11/2019	4/1/2029	1.95-2.50%	630,000	630,000	30,000
	4/11/2019	4/1/2029	1.95-2.50%	105,000	105,000	-
Total Business-Type Activities -- General Obligation Debt					<u>1,100,000</u>	<u>100,000</u>
<u>Direct Borrowings - General Obligation</u>						
	4/17/2013	4/1/2023	.45-1.85%	40,000	17,525	4,571
<u>Direct Borrowings - Revenue Bonds</u>						
	6/22/2005	5/1/2025	2.365%	6,822,650	2,521,369	396,059
	9/23/2015	5/1/2035	1.788%	1,491,359	1,248,170	68,074
	9/23/2015	5/1/2035	2.438%	1,651,582	1,396,229	72,394
	5/23/2018	5/1/2038	1.87%	1,178,333	1,129,226	50,047
	5/23/2018	5/1/2038	1.87%	374,589	358,972	15,909
Total Business Type Activities -- Direct Borrowings					<u>6,671,490</u>	<u>607,055</u>
<b>Total Business-Type Activities</b>					<u>\$ 7,771,490</u>	<u>\$ 707,055</u>

**C. Developer Obligations and Capital Leases**

The Village has an obligation to pay a developer as an incentive for development. The loan is paid off over 20 years at 4.8% interest through 2024. After that the interest rate is adjusted to an interest rate of 300 basis points over the ten-year United States Treasury Rate, as of January 1, 2025, fixed for an additional ten-year period. As of December 31, 2019, the Village had \$499,834 in outstanding developer obligations. The repayment schedule is outlined in note 12. Developer obligations will be paid out of TIF #3.

In 2019, the Village entered into a 0% interest capital lease agreement for general ledger software. The gross amount of these assets of \$89,400 is included with the equipment and vehicles class of capital assets. The assets and related obligations are included with those of governmental activities in the Government-Wide Statement of Net Position. The current portion of the capital lease is \$29,800, with the remaining balance of \$29,800 payable in 2021. Capital lease obligations will be paid out of the Capital Projects Fund.

**VILLAGE OF CROSS PLAINS**  
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**December 31, 2019**

**4. Long Term Obligations (Continued)**  
**D. Debt Service Requirements**

Debt service requirements to maturity on General Obligation debt are as follows:

Years	Governmental Activities		Proprietary Funds		Total
	Principal	Interest	Principal	Interest	
2020	\$ 1,180,000	\$ 216,959	\$ 100,000	\$ 40,350	\$ 1,537,309
2021	1,180,000	182,892	115,000	27,416	1,505,308
2022	1,210,000	158,040	120,000	24,833	1,512,873
2023	1,040,000	136,548	110,000	20,125	1,306,673
2024	1,135,000	112,960	115,000	17,140	1,380,100
2025-2029	2,670,000	293,548	520,000	39,450	3,522,998
2030-2034	825,000	83,313	-	3,000	911,313
2035-2036	155,000	3,975	20,000	900	179,875
Totals	<u>\$ 9,395,000</u>	<u>\$ 1,188,233</u>	<u>\$ 1,100,000</u>	<u>\$ 173,214</u>	<u>\$ 11,856,447</u>

Debt service requirements to maturity on Direct Borrowings, including Mortgage Revenue Debt, are as follows:

Years	Governmental Activities		Proprietary Funds		Total
	Principal	Interest	Principal	Interest	
2020	\$ 169,398	\$ 32,887	\$ 607,055	\$ 137,286	\$ 744,340
2021	170,239	29,722	620,637	123,486	744,124
2022	156,096	26,539	634,529	109,362	743,892
2023	156,727	23,391	647,979	94,910	742,889
2024	101,428	20,547	658,698	80,071	738,769
2025-2029	468,068	68,566	1,634,886	256,413	1,891,299
2030-2034	280,923	36,165	1,316,762	122,782	1,439,544
2035-2038	244,246	9,241	550,944	15,614	566,558
Totals	<u>\$ 1,747,126</u>	<u>\$ 247,059</u>	<u>\$ 6,671,490</u>	<u>\$ 939,924</u>	<u>\$ 7,611,414</u>

**E. Other Long-Term Obligations**

The following is a summary of changes in compensated absences for the year ended December 31, 2019.

	Balance 1/1/2019	Increases	Decreases	Balance 12/31/2019
Compensated Absences				
Vacation	\$ 16,873	\$ 1,674	\$ -	\$ 18,547
Sick Leave	317,040	39,933	-	356,973
Total Compensated Absences	<u>\$ 333,913</u>	<u>\$ 41,607</u>	<u>\$ -</u>	<u>\$ 375,520</u>

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
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**4. Long Term Obligations (Continued)**  
**E. Other Long-Term Obligations (Continued)**

**Compensated Absences**

A retiring employee may apply the accumulated sick leave balance to future health insurance premiums. The Village finances these benefits on a pay-as-you-go basis. The obligations for compensated absences will be paid out of the general fund.

**F. Commitments – Proprietary Fund**

To secure access to a biosolids facility to treat and store biosolids, the Village has signed a biosolids treatment agreement with the Dane-Iowa Wastewater Commission allowing the Village to submit all of their biosolids until 2020. Under the terms of the agreement, the Village pays for their determined share of the operation, maintenance and replacement cost associated with the facility, interest and principal payments made for the year on the facility, cost for treatment to filtrate from the de-watered biosolids based on the total number of pounds hauled to the facility, administrative costs, testing costs and transportation costs. Costs for the year ended December 31, 2019 were \$107,238. The facility began operating in July 2000. Payments prior to start up were capitalized and are being amortized over the term of the agreement.

**G. Utility Revenue Requirements**

The Sewer and Water Utilities are required by bond ordinances to produce net revenues sufficient to provide 110% of the annual principal and interest requirements on the mortgage revenue bonds.

	Sewer	Water
Net revenues required	\$ 677,507	\$ 218,422
2019 net revenues	\$ 744,268	\$ 266,732

**5. Employee Retirement Plan**

Defined Benefit Pension Plan

**Plan Description**

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school City educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**5. Employee Retirement Plan (Continued)**

**Vesting**

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

**Benefits Provided**

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

**Post-Retirement Adjustments**

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2009	(2.1%)	(42%)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**5. Employee Retirement Plan (Continued)**

**Contributions**

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$90,175 in contributions from the employer.

Contribution rates as of December 31, 2019 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2019, the Village reported a liability (asset) of \$292,233 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was 0.00821412%, which was an increase of .00036774% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized pension expense of \$196,039.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**5. Employee Retirement Plan (Continued)**

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 227,604	\$ (402,323)
Changes of assumptions	49,259	-
Net difference between projected and actual earnings on pension plan investments	426,785	-
Changes in proportion and difference between Employer contributions and proportionate share of contributions	199	(1,745)
Employer contributions subsequent to the measurement date	121,837	-
Total	<u>\$ 825,684</u>	<u>\$ (404,068)</u>

\$121,837 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2020	\$ 107,963
2021	27,100
2022	47,728
2023	116,988
2024	-

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**5. Employee Retirement Plan (Continued)**

**Actuarial Assumptions**

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments*	1.9%

*\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

**Long-term Expected Return on Plan Assets**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class summarized in the following table:

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**5. Employee Retirement Plan (Continued)**

Asset Allocation Targets and Expected Returns  
As of December 31, 2018

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	49	8.1	5.5
Fixed Income	24.5	4	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
Variable Fund Asset Class			
U.S. Equities	70	7.6	5
International Equities	30	8.5	5.9
Total Variable Fund	100	8	5.4

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

**Single Discount Rate**

A single discount rate of 7.00% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**5. Employee Retirement Plan (Continued)**

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
Village's proportionate share of the net pension liability (asset)	\$ 1,161,363	\$ 292,233	\$ (354,033)

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>

**Allocation of Pension Plan**

Pension amounts are allocated between the Governmental Activities and Business-Type Activities based on the percentage of required contributions of each opinion unit.

**6. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan**

**Plan description**

The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

**OPEB Plan Fiduciary Net Position**

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

**Benefits provided**

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

**Contributions**

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**6. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are as listed below:

Life Insurance  
Employee Contribution Rates  
For the year ended December 31, 2018

Attained Age	Basic	Supplemental
Under 30	\$ 0.05	\$ 0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

\*Disabled members under age 70 receive a waiver-of-premium benefit.

During the reporting period, the LRLIF recognized \$550 in contributions from the employer.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At December 31, 2019, the Village reported a liability of \$73,700 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability (asset) was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was .02856200%, which was an decrease of 0.000693% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019 the Village recognized OPEB expense of \$8,330.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**6. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

At December 31, 2019 the Village reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ -	\$ (3,738)
Changes of assumptions	7,032	(15,975)
Net differences between projected and actual earnings on OPEB plan investments	1,761	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,035	(1,625)
Employer contributions subsequent to the measurement date	-	-
Totals	<u>\$ 15,828</u>	<u>\$ (21,338)</u>

No amount was reported as deferred outflows related to OPEB resulting from the Village's contributions subsequent to the measurement date to be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ended December 31:</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
<u>                    </u>	<u>                    </u>
2020	\$ (442)
2021	(442)
2022	(442)
2023	(690)
2024	(944)
2025	(2,053)
2026	(497)

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

**6. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

**Actuarial assumptions**

The total OPEB liability in the January 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rate of Return:	5.00%
Discount Rate	4.22%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The Total OPEB Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

**Long-term expected Return on Plan Assets**

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

**Local OPEB Life Insurance**  
**Asset Allocation Targets and Expected Returns**  
**As of December 31, 2018**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40%	2.69%
US Long Credit Bonds	Barclays Long Credit	4%	3.01%
US Mortgages	Barclays MBS	54%	2.25%
US Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-Term Expected Rate of Return			5.00%

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**6. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

**Single Discount rate**

A single discount rate of 4.22% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

**Sensitivity of the Village’s proportionate share of the net OPEB liability (asset) to changes in the discount rate**

The following presents the Village’s proportionate share of the net OPEB liability (asset) calculated using the discount rate of 4.22 percent, as well as what the Village’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate:

	<b>1% Decrease to Discount Rate (3.22%)</b>	<b>Current Discount Rate (4.22%)</b>	<b>1% Increase to Discount Rate (5.22%)</b>
Village's proportionate share of the net pension liability (asset)	\$ 104,843	\$ 73,700	\$ 49,680

**OPEB plan fiduciary net position**

Detailed information about the OPEB plan’s fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

**7. Joint Venture**

The Village of Cross Plains and the Towns of Berry and Cross Plains, jointly operate a fire district and the local emergency medical service district. The communities share in the annual operation of each district based on population. The Village’s share of both districts’ operation is about 50%. Financial information of the districts as of December 31, 2019 is available directly from the districts’ office.

The governing bodies are made up of board members from each community. The local board appoints local representatives. The governing bodies have authority to adopt their own budgets and control the financial affairs of the districts. The Village’s expenditures for services totaled \$94,591 paid to the fire district and \$67,280 paid to the emergency medical service district for 2019. The Village believes that the districts will continue to provide services in the future at similar rates.

The statement of net position includes half of the cost of the districts’ station buildings.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**8. Net Position and Fund Balances**

The following are net investments in capital assets at December 31, 2019:

	Governmental	Water	Sewer
Capital assets, net	\$ 13,756,433	\$ 4,739,343	\$ 8,792,870
Less long-term debt	(11,737,818)	(2,587,395)	(5,208,750)
Plus unspent bond proceeds	336,163	90,389	34,359
Less deferred credit	-	(55,829)	-
Debt not related to capital	3,570,000	-	-
	<u>\$ 5,924,778</u>	<u>\$ 2,186,508</u>	<u>\$ 3,618,479</u>

Fund balances as of December 31, 2019 include the following:

Nonspendable:	
General Fund:	
Prepaid Expenses	\$ 17,718
Inventories	519
Non-current receivables	9,209
Total	<u>\$ 27,446</u>
Restricted:	
Debt Service Fund	\$ 48,418
Park Impact Fees	37,496
Library Endowment Fund	214,399
Capital Projects Fund	427,768
Total	<u>\$ 728,081</u>
Committed:	
Parks Fund:	
Baer Park Improvements	45,267
Pool Improvements	49,348
General Park Activities	168,668
Library Operations	32,421
Total	<u>\$ 295,704</u>
Unassigned:	
General Fund	\$ 456,698
TIF #3 (Deficit)	(582,763)
Total	<u>\$ (126,065)</u>

The deficit for TIF #3 is expected to be repaid through future tax increment.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**9. Advances and Interfund Balances**

Interfund loans were used to transfer monies as a result of a cash shortfall. The composition of interfund balances as of December 31, 2019 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sewer	TID #3	\$ 484,390
General	TID #3	82,878

Repayments will be made as funds are available in TID #3. The portion owed the General Fund is expected to be repaid in 2020 and is classified as an interfund receivable and payable. The portion owed to the Sewer Utility is not expected to be repaid until after 2020 and is classified as an advance receivable and payable.

**10. Transfers**

Interfund transfers are generally used to cover debt payments, to pay the Water fund's tax equivalent and to move payments and receipts to the correct fund.

The following is a schedule of interfund transfers made during 2019:

<u>Fund Transferred To:</u>	<u>Fund Transferred From:</u>	<u>Amount</u>	<u>Purpose</u>
General	Water	\$ 111,054	Tax equivalent
General	Sewer	4,117	Tax equivalent
Debt Service	Parks/Recreation	10,000	Debt service
Library Endowment	General	17,925	Cash true-up
Water	TID #3	33,500	Debt service
Sewer	TID #3	54,750	Debt service
Total per fund financial statements		231,346	
Less: Interfund eliminations		(204,425)	
Total per government-wide financial statements		\$ 26,921	

**11. Contingencies and Commitments**

Funding for the operating budget of the Village comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the Village. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the Village.

**12. Tax Abatements**

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**12. Tax Abatements (Continued)**

The Village of Cross Plains, through its TID #3, has entered into tax abatement agreement with a developer in the form of tax incremental financing incentives to stimulate economic development. The abatement is authorized through the TID #3 project plan. The agreement requires the Village to make annual repayments of property taxes collected with the TID to the developer based on the terms of the agreement.

As of December 31, 2019, the Village provides tax abatements for the following programs:

Tax Abatement Program	Amount in Taxes Abated
Milestone Senior Living	\$ 47,120

Repayment of the developer obligation through tax abatements is as follows:

Years	Principal	Interest	Total
2020	\$ 23,143	\$ 23,977	\$ 47,120
2021	24,303	22,817	47,120
2022	25,521	21,599	47,120
2023	26,800	20,320	47,120
2024	28,143	18,977	47,120
2025-2029	163,340	72,260	235,600
2030-2034	208,584	27,016	235,600
Totals	\$ 499,834	\$ 206,966	\$ 706,800

**13. Fair Value Measurement**

Financial assets required to be measured on a recurring basis are classified under a three-tier hierarchy for fair value investments. Fair value is the amount that would be received to sell an asset, or paid to settle a liability, in an orderly transaction between market participants at the measurements date.

The Village uses the following hierarchical disclosure framework.

Level 1 – Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 – Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Measurement based on the Village’s assumptions about a hypothetical marketplace because observable market inputs are not available as of the reporting date.

The Village uses appropriate valuation techniques based on the available inputs to measure the fair values of its assets and liabilities. When available, the Village measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs have the lowest priority.

**VILLAGE OF CROSS PLAINS**  
**Notes to Financial Statements**  
**December 31, 2019**

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**13. Fair Value Measurement (Continued)**

	Assets at Fair Value as of December 31, 2019			
	Fair Value	Level 1	Level 2	Level 3
Beneficial Interest in Assets held by the University of Wisconsin Foundation	\$ 128,368	\$ -	\$ -	\$ 128,368
Totals	\$ 128,368	\$ -	\$ -	\$ 128,368

The Village’s beneficial interest in assets held by the Madison Community Foundation (the “Foundation”) represents an agreement between the Village and the Foundation in which the Village transfers assets to the Foundation in exchange for future distributions. The beneficial interest is not actively traded and significant other observable inputs are not available. Thus, the fair value of the beneficial interest is measured at the proportional share of the underlying assets as reported to the Village from the Foundation (level 3 inputs). Little information about those assets is released publicly. The estimated value does not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined.

**14. Subsequent Events**

The recent spread of the COVID-19 coronavirus has created economic uncertainty internationally. The potential of COVID-19 having a financial and economic impact on the Village is a possibility, however, no such impact is known at this time.

**15. Effect of New Accounting Standards on Current Period Financial Statements**

The Government Accounting Standards Board (“GASB”) has adopted GASB Statement No. 87 *Leases*. When this becomes effective, application of these standards may restate portions of these financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Budget and Actual (with Variances)  
General Fund  
For the Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 1,326,350	\$ 1,326,350	\$ 1,326,121	\$ (229)
Other Taxes	3,500	3,500	3,089	(411)
Intergovernmental	407,750	407,750	480,013	72,263
License and Permits	91,250	91,250	92,796	1,546
Fines, Forfeits and Penalties	25,250	25,250	13,628	(11,622)
Public Charges for Services	52,750	52,750	56,599	3,849
Interest Income	10,000	10,000	83,081	73,081
Miscellaneous Income	53,750	83,750	88,121	4,371
Total Revenues	<u>1,970,600</u>	<u>2,000,600</u>	<u>2,143,448</u>	<u>142,848</u>
<b>EXPENDITURES</b>				
Current:				
General Government	431,100	431,100	403,291	27,809
Public Safety	850,250	850,250	847,846	2,404
Public Works	749,250	749,250	715,448	33,802
Conservation and Development	30,000	60,000	64,467	(4,467)
Total Expenditures	<u>2,060,600</u>	<u>2,090,600</u>	<u>2,031,052</u>	<u>59,548</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(90,000)</u>	<u>(90,000)</u>	<u>112,396</u>	<u>202,396</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	90,000	90,000	115,171	25,171
Transfers Out	-	(85,000)	(17,925)	67,075
Total Other Financing Sources and Uses	<u>90,000</u>	<u>5,000</u>	<u>97,246</u>	<u>92,246</u>
Net Change in Fund Balances	-	(85,000)	209,642	294,642
Fund Balances - Beginning	274,502	274,502	274,502	-
Fund Balances - Ending	<u>\$ 274,502</u>	<u>\$ 189,502</u>	<u>\$ 484,144</u>	<u>\$ 294,642</u>

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Budget and Actual (with Variances)  
Parks Fund  
For the Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 278,575	\$ 278,575	\$ 278,575	\$ -
Public Charges for Services	232,550	232,550	314,689	82,139
Miscellaneous Income	10,000	10,000	-	(10,000)
Total Revenues	<u>521,125</u>	<u>521,125</u>	<u>593,264</u>	<u>72,139</u>
<b>EXPENDITURES</b>				
Current:				
Culture, Recreation and Education	511,125	511,125	502,575	8,550
Total Expenditures	<u>511,125</u>	<u>511,125</u>	<u>502,575</u>	<u>8,550</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,000</u>	<u>10,000</u>	<u>90,689</u>	<u>80,689</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(10,000)	(10,000)	(10,000)	-
Total Other Financing Sources and Uses	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Net Change in Fund Balances	-	-	80,689	80,689
Fund Balances - Beginning	220,090	220,090	220,090	-
Fund Balances - Ending	<u>\$ 220,090</u>	<u>\$ 220,090</u>	<u>\$ 300,779</u>	<u>\$ 80,689</u>

**Village of Cross Plains  
Wisconsin Retirement System  
December 31, 2019**

**Schedule of Village's Proportionate Share of the Net Pension Liability (Asset)  
As of the Measurement Date  
Last 10 Fiscal Years**

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2018	0.00821412%	\$ 292,233	\$ 1,151,484	25.38%	96.45%
2017	0.00784638%	(232,968)	1,064,651	(21.88%)	102.93%
2016	0.00759631%	62,612	984,885	6.36%	99.12%
2015	0.00756469%	122,925	984,583	12.48%	98.20%
2014	0.00747317%	(183,511)	932,557	(19.68%)	102.74%

**Schedule of Village's Contributions for Pension  
For the Year Ended  
Last 10 Fiscal Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2019	\$ 121,837	\$ (121,837)	\$ -	\$ 1,300,672	9.37%
2018	110,454	(110,454)	-	1,154,843	9.56%
2017	101,322	(101,322)	-	1,064,651	9.52%
2016	89,239	(89,239)	-	991,801	9.00%
2015	93,746	(93,746)	-	981,258	9.55%

**Village of Cross Plains  
Local Retiree Life Insurance Fund  
December 31, 2019**

**Schedule of Village's Proportionate Share of the Net OPEB Liability (Asset)  
As of the Measurement Date  
Last 10 Calendar Years**

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2018	0.02856200%	\$ 73,700	\$ 1,097,000	6.72%	48.69%
2017	0.02925500%	88,016	1,230,256	7.15%	44.81%

**Schedule of Village's Contributions for Life Insurance  
Last 10 Fiscal Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2019	\$ 683	\$ (683)	-	\$ 1,262,000	0.05%
2018	6,621	(6,621)	-	1,105,793	0.60%

**VILLAGE OF CROSS PLAINS**  
**Notes to Required Supplementary Information**  
**For the Year Ended December 31, 2019**

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**1. Excess Expenditures over Appropriations**

The Village controls expenditures at the department level. Some General Fund individual line items experienced expenditures which exceeded appropriations as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Conservation and Development	\$60,000	\$64,467	(\$4,467)

**2. Employee Retirement Plan**

GASB Statement No. 68 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 5 preceding years.

Changes of Benefit Terms. There were no changes of benefit terms for any participating employer in WRS.

Changes of Assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

**3. Local Retiree Life Insurance Plan**

GASB Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 8 preceding years.

Changes of Benefit Terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes of Assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

**SUPPLEMENTARY INFORMATION**

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Income Statements  
Water and Sewer Utilities  
For the Years Ended December 31, 2019 and 2018**

	Water Utility	Sewer Utility	Totals	
			2019	2018
<b>Operating Revenues:</b>				
Sales/Service				
Residential	\$ 234,322	\$ 1,165,335	\$ 1,399,657	\$ 1,397,293
Commercial	23,642	102,686	126,328	130,266
Industrial	5,535	39,278	44,813	48,369
Irrigation	20,129	-	20,129	20,119
Multi-family	26,440	-	26,440	19,191
Fire Protection	140,606	-	140,606	11,071
Public Authorities	8,561	44,582	53,143	187,611
Other operating revenues	10,079	8,288	18,367	15,730
<b>Total operating revenues</b>	<b>469,314</b>	<b>1,360,169</b>	<b>1,829,483</b>	<b>1,829,650</b>
<b>Operating Expenses:</b>				
Plant operation and maintenance	130,569	494,447	625,016	676,324
General	116,407	192,947	309,354	287,281
Depreciation	139,719	411,454	551,173	543,732
Amortization	-	3,354	3,354	4,806
Taxes	8,475	-	8,475	94,219
<b>Total operating expenses</b>	<b>395,170</b>	<b>1,102,202</b>	<b>1,497,372</b>	<b>1,606,362</b>
<b>Operating Income (Loss)</b>	<b>74,144</b>	<b>257,967</b>	<b>332,111</b>	<b>223,288</b>
<b>Other Income (Expense)</b>				
Interest income	1,334	8,988	10,322	3,338
Interest expense	(50,391)	(138,838)	(189,229)	(166,856)
Hook up fees	-	7,756	7,756	64,311
Misc. non-operating income	4,077	-	4,077	8,902
Amortization	13,957	-	13,957	13,957
Transfer in	33,500	54,750	88,250	88,250
Transfer out	(111,054)	(4,117)	(115,171)	-
<b>Net Income (Loss)</b>	<b>\$ (34,433)</b>	<b>\$ 186,506</b>	<b>\$ 152,073</b>	<b>\$ 235,190</b>

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2019**

	<u>Library Operations</u>	<u>Library Endowment Fund</u>	<u>Total Non-Major Governmental Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 41,316	\$ 86,031	\$ 127,347
Cash - Advanced Tax Collections	154,331	-	154,331
Receivables:			
Taxes	141,136	-	141,136
Other Restricted Assets	-	128,368	128,368
Total Assets	<u>\$ 336,783</u>	<u>\$ 214,399</u>	<u>\$ 551,182</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts Payable	<u>\$ 8,895</u>	<u>\$ -</u>	<u>\$ 8,895</u>
Total Liabilities	<u>8,895</u>	<u>-</u>	<u>8,895</u>
Deferred Inflows of Resources:			
Subsequent Year Tax Levy	<u>295,467</u>	<u>-</u>	<u>295,467</u>
Total Deferred Inflows of Resources	<u>295,467</u>	<u>-</u>	<u>295,467</u>
Fund Balances:			
Restricted	-	214,399	214,399
Committed	<u>32,421</u>	<u>-</u>	<u>32,421</u>
Total Fund Balances	<u>32,421</u>	<u>214,399</u>	<u>246,820</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 336,783</u>	<u>\$ 214,399</u>	<u>\$ 551,182</u>

**Village of Cross Plains  
Cross Plains, Wisconsin**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-Major Governmental Funds  
For the Year Ended December 31, 2019**

	<u>Library Operations</u>	<u>Library Endowment Fund</u>	<u>Total Non- Major Governmental Funds</u>
<b>REVENUES</b>			
Property Taxes	\$ 290,794	\$ -	\$ 290,794
Intergovernmental	100,991	-	100,991
Fines, Forfeits and Penalties	2,328	-	2,328
Investment Income (Loss)	-	25,450	25,450
Miscellaneous Income	7,763	11,272	19,035
Total Revenues	<u>401,876</u>	<u>36,722</u>	<u>438,598</u>
<b>EXPENDITURES</b>			
Current:			
Culture, Recreation and Education	<u>390,231</u>	<u>13,470</u>	<u>403,701</u>
Total Expenditures	<u>390,231</u>	<u>13,470</u>	<u>403,701</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>11,645</u>	<u>23,252</u>	<u>34,897</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>-</u>	<u>17,925</u>	<u>17,925</u>
Total Other Financing Sources and Uses	<u>-</u>	<u>17,925</u>	<u>17,925</u>
Net Change in Fund Balances	11,645	41,177	52,822
Fund Balances - Beginning	<u>20,776</u>	<u>173,222</u>	<u>193,998</u>
Fund Balances - Ending	<u>\$ 32,421</u>	<u>\$ 214,399</u>	<u>\$ 246,820</u>